News Release

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DEFENSE DISTRIBUTION CENTER

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Contract awarded for installation of RFID equipment at DOD distribution centers

NEW CUMBERLAND, PA — The Defense Distribution Center awarded a contract with an estimated value of $14.6 million to ODIN Technologies of Dulles, Va., for the installation of passive radio frequency identification, or RFID, equipment throughout DDC's global distribution network May 17.

The initial 12-month base period of the indefinite delivery/indefinite quantity contract has an estimated value of $7 million with two one-year options estimated at $3.8 million.

The contract includes the purchase and installation of passive RFID tag readers and other supporting equipment as well as printers able to produce labels with embedded passive RFID tags.

"Implementing this comprehensive passive RFID system across the organization ensures DDC is in compliance with the Department of Defense policy to have all our distribution centers capable of receiving incoming shipments tagged with passive RFID from vendors and other distribution centers and shipping points within our network," said Janet Cravener, chief of DDC's Logistics Policy Division.

The DOD policy for the use of passive RFID tags within the military supply chain requires distribution centers to be capable of reading the data on incoming passive RFID tags as manufacturer's begin tagging their products in compliance with DOD acquisition regulations.

Each passive tag carries a small amount of data that acts as a license plate to uniquely identify the contents of the container to which it is attached, providing opportunities for improved asset control.

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"DDC is better positioned to ensure the combat readiness of America's Warfighters by leveraging passive RFID technology to further improve our inventory management processes," said Cravener.

As each tag passes through the readers in the distribution centers, the tag's data is uploaded to DDC's distribution and warehousing system. "When the data is received, it is associated with additional data about the shipment as a result of electronic notification by the manufacturer," explained Larry Loiacono, leader of DDC's Information Operations Wireless Team.

DDC expects to have passive RFID capabilities at all 26 sites worldwide by the end of 2007, with the 19 distribution centers within the continental United States outfitted by the end of September 2006.

ODIN Technologies will begin assessing DDC sites for the installation of passive RFID equipment immediately.

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Defense Distribution Center, New Cumberland, Pa., is the Defense Logistics Agency's Lead Center for Distribution. DLA provides supply support and technical and logistics services to the military services and to several civilian agencies. Headquartered at Fort Belvoir, Va., DLA is the one source for nearly every consumable item, whether for combat readiness, emergency preparedness or day-to-day operations.

CUT LINES:

Passive RFID Portal (Pa).jpg

Incoming shipments pass through a passive RFID reader at DDC's strategic distribution platform in New Cumberland, Pa.

Passive RFID tag.jpg

Passive RFID tags are comprised of a microchip embedded in an antenna and enclosed within a thin label. A passive RFID reader is used to activate the tag and transmit information burned onto the tag to a warehouse management system.